

**Pace Water System
Regular Meeting
May 11, 2010**

The Pace Water System Board of Directors met on the above date with the following members present: President Paul Hinson, Marvin Fowler, George Hitchcock, Sondra Thompson, and Theresa James. Engineer Damon Boutwell and Attorney Angie Jones were also present. President Hinson called the meeting to order at 7:00 p.m. Attorney Jones offered the invocation, and those present joined in the pledge of allegiance to the flag. Hinson asked Boutwell to prepare brief minutes of the committee meeting held immediately prior to this meeting. Hinson acknowledged the presence of a number of Boy Scouts who were attending the meeting as part of their requirements to achieve their Eagle Scout status. Hinson congratulated the Scouts for their good work and expressed support on behalf of PWS.

Minutes: Thompson moved approval of the minutes of the meeting of April 20th, James seconded. Thompson referred to page 10 of the minutes and stated that when she indicated that she had a prior relationship with James as with former board member Elliott, she was referring to the prior relationship that Hinson and Elliott had, not Elliott and herself. **The motion to approve the minutes as corrected carried unanimously.**

Financial Statements: Thompson moved approval of the financial statements for April, Fowler seconded. Hinson said he considered April to be an extremely dry month, yet the water income was slightly over budget. Boutwell explained that the billing was for March usage. **The motion carried unanimously.**

Engineer's Report: Project status sheets were provided in the agenda packets. Engineer Boutwell noted that activity remained minimal. Boutwell reported that the Avalon Boulevard water and sewer project was continuing with work currently being done on Segment 5 for sewer and Segment 6 for water. Boutwell reported that DOT plans to bid Section 7 in July. Boutwell said Section 5 for water has to be bid out sometime. Boutwell said Pace is waiting for DOT's stormwater installation, which he anticipated would be at the end of summer or first of fall.

Fowler asked why more had been added to the Jernigan Road project. Boutwell responded that another defective area had showed up at the entrance to the trailer park on the west side of the road. Boutwell said the County wanted Pace to look at repairing it while the work was under progress. Boutwell said the additional cost would be \$4,702.00. Thompson asked how much Pace agreed to spend to repair the first part of the project. Boutwell responded \$28,000 to \$29,000. Boutwell said the only reason Pace considered doing the repairs was because this was CDBG project, and the County paid for the project initially. In response to questioning by Thompson, Boutwell advised that Southeastern Underground was the contractor on the initial project. Boutwell said the contractor was not contacted until after the one-year warranty had expired. Thompson said she understood Rachel to have said that the contractor was contacted during the warranty period. Boutwell said, to his knowledge, the contact was not made during the

warranty period. Rachel said it was during the 2-year warranty. Boutwell said the County had approved Pace's plans and specs, which included its standard 1-year warranty. Boutwell said the County's standard warranty was for 2 years. James asked if Pace agrees to the additional work, could the County approach Pace for more later. Hinson asked if the County might come back and ask for more repairs. Boutwell said there was no way to know that, but the County could not expect Pace to warranty it forever. James asked if it would be possible to tell the County that Pace will do this, but not to come back on it again. Fowler said Pace is responsible for line and manhole settlements anytime. Discussion continued. Fowler said the cost of the additional work seemed a little high. Hinson asked if the bid was out of order. Boutwell said a lump sum bid was made on the project rather than the bid being based on unit prices. Cliff added that the cost was also based on the depth of the main. Cliff said it is real deep in the area going into the trailer park. After further discussion, **Fowler moved to approve the change order in the amount of \$4,072.00, James seconded, and the motion carried unanimously.**

Boutwell presented the Pace Fire Department's proposal to check, maintain, and flow-test the fire hydrants in Pace's franchise area. Boutwell said Pace residents were calling for hydrants to be flow-tested. Boutwell said a portion of the \$1.00 fire hydrant fee would be used to fund the costs that the fire department would bear; the remaining fee would be used by Pace to make needed repairs and to expand fire coverage. Boutwell said PWS does not flow-test the hydrants because of the time required, as well as the liability associated with it; PWS simply maintains the hydrants. Boutwell added that AWWA standards do not recommend that water companies take on the responsibility of flow-testing the hydrants. Thompson asked why. Boutwell said AWWA is set up for the drinking water industry, PWS is a purveyor of potable drinking water. Boutwell said there is no requirement that water purveyors provide fire protection; it is simply an added benefit. Boutwell said under the agreement, the fire department would hire two employees to perform the work. Boutwell said Pace would still be responsible for repairs and raising a couple hundred hydrants. Boutwell said some of the hydrants are so old, they have to be replaced because parts are no longer available for them. Boutwell was asked what would happen to the two workers on PWS's fire hydrant crew. Boutwell responded that they would be working on the hydrants part time and in the water department part time. Boutwell explained that two of the water department workers had been moved into the fire hydrant maintenance positions, there were no new hires. Thompson expressed concern that if another entity takes this on, PWS will lose its hands-on knowledge of what is going on and would have to rely on another entity's perceptions. Boutwell said the fire department would still provide PWS with written records. Discussion continued. Fowler said the County was in the process of looking at the issue, and suggested waiting to work with the County. Boutwell said whatever the County comes up with, the PWS board could choose whether to go along with it. Boutwell said the County does not have the authority to tell the Pace board how to maintain its hydrants. Thompson said a partnership implies that there is a shared weight of the cost of this, but it appeared that PWS would be paying the entire cost. Hinson said the customers would actually be paying for it. Hinson said the customers would be getting more bang for their buck. Boutwell said he thought it would be good publicity for both entities.

Hitchcock asked if the service would be provided to the entire Pace franchise. Boutwell responded in the affirmative, that it would not be limited to the Pace fire district but would do the entire water system. Hitchcock asked how the other fire districts were responding to this. Chief Watkins said the County had talked to a lot of the water purveyors to figure out how to get things started, and they did not want to add money to do this. Watkins said the fire department would do the entire PWS franchise area. Watkins said taking care of the fire hydrants like this enhances the ISO rating, which would save homeowners money on their insurance premiums. Watkins said flow-testing would have to be done twice a year, and that will eliminate problems with the hydrants. Watkins said he wanted to avoid future loss of homes due to inadequate flow from the hydrants. Watkins said the agreement would give him the liability on the maintenance and PWS would continue to do the repairs. Watkins said PWS would have a monthly report on everything that happens with the hydrants. Watkins said precautions would be taken to protect the water system. Discussion ensued. Hinson said he thought this would be a model partnership that the County would probably emulate. Watkins said someone had to take responsibility, and he was willing to do so. **Thompson moved to accept the proposal, James seconded.** Fowler said the proposal would impact PWS financially because it would take money away without reducing the number of employees. Discussion continued. James asked if the reuse hydrants were included. Watkins said his proposal included the reuse hydrants. Fowler asked Angie what kind of agreement should be entered into, whether it would be an interlocal agreement of some kind. Angie said she would need to think it through and perhaps do some research. Angie said, to some degree, Pace, not being in the fire protection business, would not be responsible for the hydrants, and she would check to see if an agreement would cause Pace to take on some liability. Angie said she was sure some kind of agreement could be worked out. Fowler said he was concerned about the exchange of information between the entities. Watkins said the fire department would make sure to report broken hydrants to PWS, and the 9-1-1 Center. Watkins said the 9-1-1 center is supposed to e-mail the information to PWS and the fire department. Watkins said he also often telephones Ronnie. **Motion carried unanimously.** Hinson stated that, although he could not vote, he wholeheartedly supported the agreement. Hinson told the Scouts that this was a good example of cooperation that benefits the public..

Attorney's Report: Attorney Jones' report is reflected in the PPFA minutes of this date.

Committee Meeting: Hinson advised that the Board met in committee on this date immediately prior to this meeting.

Purchases: Boutwell presented a recommendation to purchase a Ztrac mowers. Damon explained that for the last few years, Pace had been replacing mowers on a two year rotation basis which keeps the mowers under warranty. Damon said maintenance costs had been an issue before that. **James moved to approve the purchase of the mower from Smith Tractor in the amount of \$2,998.00, Hitchcock seconded, and the motion carried unanimously**

Pay Requests: Hitchcock moved approval of the pay requests as follows: Locklin,

Jones & Saba in the amount of \$1,564.25, Fabre Engineering in the amount of \$4,245.00, and Caldwell Tanks in the amounts of \$45,711.00 and \$101,986.50; Fowler seconded, and the motion carried unanimously. (See PFFA minutes of this date for another pay request.)

Investment Summary: Hitchcock moved approval of the investment summary, James seconded, and the motion carried unanimously.

Manager's Report: Boutwell reported that the managers had been asked to look at their schedules and talk with their employees with regard to going back to the 4 10 hour day work week. Boutwell said the managers met and advised that the employees were in favor of that; those employees who wished to continue working the 5 8 hour day work week were allowed to do that. Boutwell said starting this pay period, the system went to the 4 10 hour days, alternating Mondays and Fridays as was done in the past. Thompson said at the last meeting, the board members had expressed 7 times the wish to evaluate everything during the committee meeting. Thompson said the issue was supposed to be brought to the board, not for management to just implement it. James said she had understood that at a meeting, management was told to go back to the 4 10s. James said she thought the board was looking for the cost breakdown. Boutwell said going to a 35 hour week was discussed at the meeting, but it was never his understanding, nor that of the other managers that he knew of, to go back to 4 10s. Boutwell said that could not be done at that time based on the budget and working comp time instead of overtime. Boutwell said the minutes talked about going back the way it was, but did not clarify going to a 4 day work week. James said she understood that the board directed management to go back to the 4 10s. James said it has now happened. Thompson said she did not think any board members were actually willing to approve automatically going back to the 4 10s, but wanted to see actual figures. Thompson said the board was supposed to approve or not approve it, and the board was completely bypassed. Boutwell said there was no real way to compare overtime from one period to another, because it depends upon construction, ground temperatures, and leaks and breaks that occur. Boutwell said breaks and leaks are random. Hinson said he could give 3 reasons why 5 days are better and 3 reasons why 4 10s are better, and could defend either way. Hinson said the bigger picture was that this was more of an employee morale issue. Hinson said he did not take the return to 4 10s as management usurping authority, but more as management seeing the writing on the wall. Fowler said he was not trying to micromanage things last month, but he had reservations about why it was changed. Boutwell said it was changed because of the budget. Boutwell said with the 4 10s, the system had half a crew on Monday and half a crew on Friday. Boutwell said that worked great until they went to comp time. Fowler expressed appreciation that it did get changed. Fowler said he thought the change was within management's scope of authority. Thompson said she was in favor of the 4 10s, but the issue should have been brought to the board before it was implemented. James said the majority of the employees wanted the 4 10s, and they got it. Hinson pointed out that it was rare for the employees to be able to choose their hourly work week.

Public Forum: The board met in committee and viewed adjoining property that was for

sale. Hitchcock initiated discussion with regard to purchasing the property. Hitchcock said the value of the property was \$6,300. James said that was the tax assessment and was not fair market value. Hitchcock said he had no idea what the fair market value was, but Pace could either make a low offer of \$10,000 or hire an appraiser. Hinson asked if there would be any comparable property to be able to appraise it. James said she appraised residential properties rather than commercial, but she could look for comparables. Hitchcock said the purchase would not benefit Pace in any way except to offer a little security at times. Discussion. Fowler suggested doubling the tax assessment. Boutwell said if Pace makes an offer, it should be a reasonable offer. Hitchcock asked why Pace should spend \$40,000 or \$50,000 uselessly. **Hitchcock moved for Pace to offer to buy the property for \$12,800; Fowler seconded.** Thompson said she feared that the offer would tick the seller off in a big way. Thompson said the seller could donate the property and get a tax write-off, and that would leave Pace with the issue of ingress and egress. Thompson recalled that Dotson said he had indicated to the seller that he would not bring a proposal to the board for more than \$50,000. Thompson said she thought \$50,000 would be a good price because it is worth more to Pace than to most people. Boutwell said Pace could buy it for \$100,000, buy half of it for \$50,000 and the seller could donate the other half for a tax write-off. It was mentioned that the owner could counter the offer. Boutwell said that offer could be so low, he might not want to deal with Pace anymore. James said she understood that the seller might need the money. There was some disagreement expressed from members in the audience. Boutwell and a member of the audience said the seller owned a great deal of land in the County. Boutwell said he thought that offer would be an insult. Fowler said Pace could write him a letter and asked what his bottom line would be. Fowler said he would like to see his offer in writing. Cliff said making an offer of so much and suggesting a donation would be a win-win situation. **Motion carried 3-1, with Thompson opposing.**

See the PPFA minutes of this date for further report of the public forum.

Meeting adjourned.

President

ATTEST:

Secretary

**Pace Property Finance Authority
Regular Meeting
May 11, 2010**

The Pace Property Finance Authority met on the above date with the following members present: President Paul Hinson, Marvin Fowler, George Hitchcock, Sondra Thompson, and Theresa James. Engineer Damon Boutwell and Attorney Angie Jones were also present. President Hinson called the meeting to order at 7:00 p.m. Attorney Jones offered the invocation, and those present joined in the pledge of allegiance to the flag.

Minutes: Fowler moved approval of the minutes of the meeting of April 20th, James seconded, and the motion carried unanimously.

Financial Statements: Thompson moved approval of the April financial statements, Fowler seconded, and the motion carried unanimously.

Engineer's Report: Project status sheets were provided in the agenda packets. Engineer Boutwell reported that the Avalon Boulevard water and sewer project was continuing with work currently being done on Segment 5 for sewer and Segment 6 for water. Boutwell reported that DOT plans to bid Section 7 in July.

Boutwell recalled that the board had requested an estimate for putting reclaimed water in Tiburon West. Boutwell provided a handout reflecting the requested information and a map. Boutwell said the estimated total cost would be \$181,324 for 92 lots. Boutwell said the project could cost more or less depending on the time it was bid. Hitchcock noted that the resident of Tiburon West was going to come back to the board and say whether any other residents were interested in it. Rachel was asked if the resident contacted her. Rachel said she went to the subdivision a couple of times to see where to lay the line. Rachel said the neighbors seemed excited about the prospect of having reuse, and she told them to tell the man about the board meeting. The consensus of the board was to table the issue until the next meeting. Rachel offered to contact the resident and invite him to the next meeting. In answer to a question, Boutwell explained that the \$250 on the handout represented the standard tap fee for a reuse tap. James asked if that would be in addition to the installation cost. Boutwell responded that the board could choose to assess that or waive it. Boutwell said Pace had typically used the tap fee towards the installation cost.

Attorney's Report: Attorney Jones reported that the SR County Utility Board met in April and approved Pace's acquisition of Avalon Utilities and Garcon Utilities. Angie said the recommendation of the Utility Board would go to the BOCC probably on May 24th.

Pay Requests: Hitchcock moved approval of the pay request as follows: Utility Service Company in the amount of \$89,448.03, James seconded, and the motion carries unanimously.

Investment Summary: Hitchcock moved approval of the investment summary, James seconded, and the motion carried unanimously.

Public Forum: Gail Jones, 3315 Melvin Drive, said she had asked for permission at the last board meeting to ride her horse on the Pace Brothers Preserve. Jones said she had not received the written rules that were supposed to be sent to her. James offered Jones her copy of the rules. Jones said she brought Florida Statute 773.01 which prohibits lawsuits on horse related activities. James pointed out that Pace's rules specifically prohibit horses on the property. Jones asked why. James said the rules were developed before her tenure on the board began. Jones said Dotson had allowed her to ride, then stopped her. Discussion continued. It was noted that Max Godwin and Cliff were on the committee that developed the rules. Cliff said horses tear up the roads, and that was one consideration in developing the rule. Boutwell said horses were probably included in the prohibition with ATVs, etc. Bill Strength said the treatment wetlands could not tolerate fecal matter from a warm-blooded mammal. Fowler said he would like the board to address it further. Fowler said the board should be open-minded and not just say no, but if there are legitimate concerns that cannot be overcome, that is another thing. Boutwell said the issue could be assigned to the property management committee to look at and make a recommendation to the board. Boutwell said he talked to Jim Grace regarding insurance. Boutwell said when the chamber uses the property, it has to provide PWS with an event liability policy. Fowler said he realized all the property could not be used, but perhaps boundaries could be set. Boutwell suggested another board member be appointed to replace Max Godwin on the committee. James asked Jones if she and other riders would be willing to put something on the horses to catch their excrement. Jones said she would be willing to do anything. Jones said that there are no places to ride anymore. Jones said when she had ridden on the property, she had ridden on the higher ground. In discussing the monitoring wells, Strength stated that there was a well next to a storm drain that collects water from the higher ground that Jones had mentioned. Hinson asked for a volunteer to replace Max Godwin on the committee. Thompson volunteered. Hinson said Thompson, Hitchcock, and the assigned employees would make up the committee. Hinson suggested that the committee look at the rules to see if any need to be changed, added or deleted, and investigate the issue of horse-riding on the property. Jones asked if the board wanted the liability issue to be researched. Board members responded in the affirmative.

Meeting adjourned.

President

ATTEST:

Secretary

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**June 2, 2010
PWS0510.MIN**

**Mr. Ted Dotson
General Manager
Pace Water System**

RE: Minutes for Regular Meetings of May 11, 2010

06/02/10	Professional Services - Minutes	\$225.00
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Thank you.

Janice